TESTIMONY GIVEN BY GOVERNOR JOHN HOEVEN TO THE CORPS OF ENGINEERS DURING THE MISSOURI RIVER MASTER MANUAL HEARING

October 23, 2001

Welcome to North Dakota.

On behalf of the State of North Dakota I offer the same clear and consistent message that we and adjoining states have been voicing for years. **The Master Manual must be changed and the time for that change is long overdue. In addition to my comments, state agencies will be submitting further comments in the coming months for you to consider.**

**Time for change:**

The five mainstem dams authorized by the Flood Control Act of 1944 were constructed in 18 years. If the Master Manual revision is completed in 2003, it will have taken 14 years. The people of North Dakota and the Missouri River Basin can wait no longer. To reinforce this point, on September 18, I joined five other governors, in a letter to the President urging him to see that changes in the Missouri River management are made and within a timely manner. In the past decade, we settled lawsuits that provided equal footing for upper basin needs, expecting the new Master Manual would be completed in a reasonable time. Fourteen years is long enough. Any further delay to the Master Manual is not acceptable.

**Some History:**

Because the process has taken so long, some historical perspective is necessary. A major controversy arose in 1988 with the unnecessary and rapid drawdown of Lakes Sakakawea, Oahe, and Ft. Peck. The drawdown caused significant adverse impacts to many users of the Missouri River. Citizens suffered substantial losses of water for various uses, forcing businesses to be closed and causing untold economic damages. The upper basin states sued the Corps of Engineers to prevent similar treatment in future years. The Corps was directed by the Courts to address the contemporary needs of society and consider revisions to the Master Manual. In 1989, it initiated the first update of its Master Manual. In 1994, the Corps published a preferred alternative, which met with widespread criticism throughout the basin. As a result, the Corps initiated a new process to rewrite the Master Manual. Although I'm very disappointed that this process has taken so long, it is extremely important for everyone to understand that since 1994 significant agreement has been reached among the basin states.

After years of negotiations, seven of the eight states are ready for change. **It is no longer upstream states fighting with downstream states**. Kansas, Nebraska, and Iowa agree with the upper basin states that drought conservation measures are necessary. Believe it or not, even within the State of Missouri there are other individuals and even agencies that recognize the current water management plan for the Missouri River needs to be changed. This new process has taken seven more years and has cost millions of dollars, so we should now conclude this long journey by making the necessary changes.

**In addition to the states agreeing that change is warranted, there are other reasons for change:**

**Importance to North Dakota**

- The Missouri River is of vital importance to the State of North Dakota for the various uses it provides. The power generated by the Missouri River dams, provides affordable electric rates for our citizens and to the citizens of neighboring states who receive much of the power from Garrison dam. Twenty percent of North Dakota citizens get their water from the river. Seven coal fired power plants use river water for cooling and six other industrial users including the Tesoro oil refinery and the Dakota Gasification plant make use of Missouri River water. Approximately 16 percent of the total irrigated area in North Dakota uses Missouri River water.

- The Missouri River, Lake Sakakawea, and Lake Oahe provide recreation opportunities to hundreds of thousands of residents and visitors to the state. In 1991, during the last drought, three state parks along Lake Sakakawea had 302,000 visitors, approximately 35 percent of the visitation to state parks. In 2000, visitation was 494,000, almost 49 percent of the visitation to state parks, representing $9 million and $14.8 million respectively in annual economic impact.

- The quality of the water in the Missouri River is important for municipal water supply and cold-water habitat. If the elevation of Lake Sakakawea falls below 1,825 feet during mid to late summer, the reduced oxygen concentration puts the nationally acclaimed sport fishery of the big lake in serious jeopardy. Low lake levels also increase risk to human health through the resuspension of sediment from the delta portion of the lake. Wave actions of low water disturb the sediment, releasing chemicals into the water that is subsequently used for municipal water supplies.

- The cultural and historical sites along the Missouri River are important to the State, the Standing Rock Sioux Tribe and the Three Affiliated Tribes, and further warrant change in the management of the river. Many of these cultural resources are destroyed on a daily basis through erosion, looting, and the absence of shoreline protection and stabilization. Stable lake levels would impact fewer sites, so a change in the operating plan that results in more stable lake levels in times of drought would benefit a resource that may otherwise be lost forever. These steps should be followed by the commitment of resources to stabilize the shoreline in order to protect and preserve these cultural and historical sites.

The draft EIS supports change by the benefits outlined in the five alternatives. They improve conditions for endangered species and conserve water in the mainstem reservoirs during times of drought. Unbalancing the reservoirs and increasing releases at Ft Peck may provide benefits for the pallid sturgeon, least tern and piping plover. Conserving water in the reservoirs during dry periods improves conditions for fish survival and thus recreation, and translates into more 'head' for hydropower. If these alternatives would have been in place during the drought of the late 1980s, Lake Sakakawea would have been 4 to 6 feet higher, translating into far better fish habitat, more efficient hydropower and an overall improvement in the economy of the areas that border the Missouri River.

I want to turn to economic realities that further demonstrate the need for change. When the great dams were built, navigation was expected to move 20 millions tons of goods annually yet, that projection was unrealistic, with current levels of navigation being a paltry 1.5 million tons of goods annually. Recreation, however, has flourished on the Missouri River system. Navigation is less than $1/10^{th}$ of the economic benefit of recreation. The recreation industry dwarfs navigation in national economic benefits of $84.7 million and $7.0 million respectively. Navigation can no longer dictate management of the entire river system, especially in view of the system-wide benefits that total $1.9 billion annually. Navigation provides jobs and transportation alternatives to people in Missouri, but we need to manage the river wisely and upon facts that provide the most benefit to the basin and to our country. In view of the economics, the justification for change is obvious.

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**What we want--Agreement on drought control strategies:**

The drought conservation measures included in the five new alternatives are essentially those agreed to by seven of the eight Missouri River Basin Association member states. Strictly from North Dakota's standpoint, they do not go far enough.

But, they are likely the most equitable means of distributing hardship during drought and are supported by seven of the eight states within the basin, including North Dakota. These drought conservation measures proposed by MRBA should be implemented as soon as possible and will be a vast improvement over the 40-year-old Master Manual.

The previous drought had terrible consequences for North Dakota businesses that were built upon recreation on the Missouri River. It has taken a decade for our people to recover from that disaster. Uncertainty caused by the Corps' management during drought has impeded capital investment, and development for new and existing businesses that would build upon the Missouri River's marvelous potential. If we are to sustain the recreation industry, we must incorporate conservation measures that stabilize reservoir levels during drought.

We know the hardships of drought cannot be entirely avoided. However, those hardships should not be aggravated by sacrificing the interests of all others to float a handful of barges in the lower Missouri. This is not wise management. It is not responsible management, and it is not fair management. The pain of drought must be shared equitably.

In conclusion, I urge the Corps to adhere to its current schedule for completing the Master Manual revision process. The time for equitable distribution of the benefits of Missouri River and equitable sharing of water shortages is now.

There is no question that any of the five proposed alternatives is marked improvement over the current water control plan. The results of the economic and environmental studies clearly illustrate how the Missouri River and the reservoirs can be better managed to benefit us, our children and the entire Missouri River Basin. If we manage these resources intelligently, realization of their potential can benefit all. On behalf of the people of North Dakota, and the Missouri River Basin, I submit it is time for change on the Missouri River.

Sincerely,

John Hoeven
Governor

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